AMENDMENTS TO THE SPECIFICATION:

Page 4, replace the paragraph, beginning on line 2, with the following amended paragraph:

--The liquid crystal is initially aligned with an inclination of about 15 degrees, as indicated by an alternate long and short dashed line, with respect to the pixel electrode 24 and common electrode 14 which form comb electrodes fitted with each other, and rotates in only a specific direction upon application of a voltage between the pixel electrode 24 and common electrode 14. The absorbing axes of the polarizing plates are aligned with the initial alignment direction of the liquid crystal, and an appropriate retardation Δnd (product of a refractive index anisotropy Δn of the liquid crystal and the effective thickness d0 of the liquid crystal layer) is set, so the display device can perform colorless white display and black display.--

Page 15, replace the paragraph, beginning on line 22, with the following amended paragraph:

--An alignment film 60 is formed on the surface of each of the active element substrate unit 4 and color filter unit 6 by ~~offfset~~ offset printing or the like, and is subjected to rubbing by the rubbing method such that the initial alignment angle becomes [[N]] φ. In the drawings, the initial alignment direction is indicated by an alternate long and short dashed line.--

Page 16, replace the paragraph, beginning on line 1, with the following amended paragraph:

--An inner-cell spacer or the like (not shown) is placed between the active element substrate unit 4 and color filter unit 6 to form a predetermined gap, and a nematic liquid crystal 50 is sealed in it with a sealing agent (not shown) and a hole closing material (not shown), thus forming the liquid crystal panel 2. Hence, the liquid crystal molecules of the nematic liquid crystal 50 are initially aligned parallel such that they are inclined with respect to the pixel electrode 24 and common electrode 14 at the angle [[N]] φ (15 degrees; the angle need not be 15 degrees but may take other values).--

Page 16, replace the paragraph, beginning on line 12, with the following amended paragraph:

--As the liquid crystal material, a nematic liquid crystal with a positive dielectric constant anisotropy [[)γ]] $\Delta\varepsilon$ of 8.0 (589 nm, 20 degrees of Celsius thermometer), a refractive index anisotropy)n of 0.075, and a liquid crystal resistivity of 1.0×10^{12} [[Σ]] $\Omega \cdot cm$ is used. The thickness of the liquid crystal layer (cell gap) is set to 4.0 μm.--

Page 17, replace the paragraph, beginning on line 7, with the following amended paragraph:

--The liquid crystal panel 2 obtained in this manner was built as a liquid crystal display device in a driving unit (not shown), and was subjected to a residual image test. As shown in

Fig. 4, the drain electrode 20 and source electrode 22 of the liquid crystal panel 2 are formed such that their opposing edges are inclined at the angle [[2]] $\underline{\theta}$ and the initial alignment angle [[N]] $\underline{\varphi}$ and the angle [[2]] $\underline{\theta}$ coincide with each other. Even when an electric field is generated between the drain electrode 20 and source electrode 22, the liquid crystal molecules do not rotate. Therefore, the dielectric constant and the like between the drain electrode 20 and source electrode 22 did not differ between white display and black display, and no residual image occurred at all. Also, [[N]] $\underline{\varphi}$ = [[2]] $\underline{\theta}$ need not always be satisfied. In this case, the closer the values of [[N]] $\underline{\varphi}$ and [[2]] $\underline{\theta}$ the more residual image can be prevented.--

Page 18, replace the paragraph, beginning on line 1, with the following amended paragraph:

--In the active element substrate unit 4, as shown in Fig. 6, the opposing edges of a drain electrode 20 and source electrode 22 form the right angles with the longitudinal direction of the comb electrode formed of a pixel electrode 24 and common electrode 14, and an alignment film 60 is rubbed to have an initial alignment angle [[N]] $\underline{\varphi}$. The drain electrode 20 and source electrode 22 are subjected to rubbing such that they are parallel to the longitudinal direction of the comb electrode.--

Page 18, replace the paragraph, beginning on line 10, with the following amended paragraph:

--Regarding this, liquid crystal molecules are aligned parallel by rubbing such that they are inclined at [[N]] $\underline{\varphi}$ (15 degrees) with respect to the longitudinal direction of the comb electrode. After that, a negative photosensitive resist is printed by a spin coater, and those portions of the resist which are on the drain electrode 20 and source electrode 22 are removed by photolithography. In this state, rubbing is performed, and the liquid crystal panel 2 is formed such that the liquid crystal molecules on the drain electrode 20 and source electrode 22 are aligned parallel ([[2]] $\underline{\theta}$ = 0) to the longitudinal direction of the comb electrode.--

Page 19, replace the paragraph, beginning on line 4, with the following amended paragraph:

--In this embodiment, regarding the opposing edges of a drain electrode 20 and source electrode 22, as shown in Fig. 7, an initial alignment angle [[N]] $\underline{\varphi}$ obtained by rubbing and an inclination angle [[2]] $\underline{\theta}$ of the drain electrode and source electrode are set to coincide with each other, in the same manner as in the first embodiment, and island-like amorphous silicon 18 is also inclined to match the inclination angle [[2]] $\underline{\theta}$. Except for these respects, the third embodiment is identical with the first embodiment. Residual image can be prevented more effectively also in this manner.--

Page 20, replace the paragraph, beginning on line 7, with the following amended paragraph:

--For example, an alignment film on a drain electrode 20 and source electrode 22 (on island-like amorphous silicon 18) is aligned by light, using a photomask, such that they are perpendicular to the opposing edges of the drain electrode 20 and source electrode 22, i.e., such that it is parallel to the longitudinal direction of the comb electrode. At other portions, the alignment film is aligned by using another photomask such that they are inclined at [[N]] φ (15 degrees) with respect to the longitudinal direction of the comb electrode. A liquid crystal panel is formed in this manner.--

Page 21, replace the paragraph, beginning on line 13, with the following amended paragraph:

--In this embodiment, a drain electrode 20, source electrode 22, and island-like amorphous silicon 18 are inclined as shown in Fig. 9, so that they match an inclination angle [[2]] θ, in the same manner as in the third embodiment. Alignment films 60 for an active element substrate unit 4 and color filter unit 6 are subjected to rubbing by the rubbing method such that they are inclined at an angle [[N]] φ (15 degrees) with respect to the widthwide direction of the comb electrode, as shown in Fig. 9, and the liquid crystal molecules are aligned parallel.--

Page 21, replace the paragraph, beginning on line 23, bridging pages 21 and 22, with the following amended paragraph:

--A predetermined gap is formed between the active element substrate unit 4 and color filter unit 6 with an inner-

cell spacer or the like (not shown), and a nematic liquid crystal 50 is sealed in it with a sealing agent (not shown) and a hole closing material (not shown), thus forming the liquid crystal panel. As the liquid crystal material, a nematic liquid crystal with a negative dielectric constant anisotropy [()γ]] $\underline{\Delta\varepsilon}$ of -5.0 (589 nm, 20 degrees of Celsius thermometer), a refractive index anisotropy [()n]] $\underline{\Delta n}$ of 0.075, and a liquid crystal resistivity of 1.5×10^{12} [[Σ]] $\underline{\Omega \cdot cm}$ is used.--

Page 22, replace the paragraph, beginning on line 6, with the following amended paragraph:

--At the comb electrode portion, the liquid crystal is imparted with a rotation force by the electric field, so it changes display. Regarding the liquid crystal on the drain electrode 20 and source electrode 22, even when a voltage is applied between the drain electrode 20 and source electrode 22, as the dielectric constant ~~anisotropy)γ~~ anisotropy $\underline{\Delta\varepsilon}$ is negative, the electric field in this direction cannot impart a rotation force. Thus, a residual image does not occur.--

Page 22, replace the paragraph, beginning on line 16, with the following amended paragraph:

--In this embodiment, a drain electrode 20, source electrode 22, and island-like amorphous silicon 18 are inclined as shown in Fig. 10, so that they match an inclination angle [[2]] $\underline{\theta}$. Regarding the drain electrode 20 and source electrode 22, not only their opposing edges but also those portions of them which are

connected to a data line 21 are also set to match the angle [[2]] θ.--

Page 22, replace the paragraph, beginning on line 23, with the following amended paragraph:

--Rubbing is performed with a uniform angle of [[N]] φ ([[N]] φ = [[2]] θ) entirely.--